



EXIRO NICKEL ACQUISITION OF THOMPSON OPERATIONS FROM VALE BASE METALS

FAQs FOR JOURNALISTS

TRANSACTION

1. What assets are included in the transaction?
 - Thompson mine and concentrator
 - Pipe mine
 - Extensive nickel resource base
 - 135 kilometres of highly prospective exploration assets along the Thompson Nickel Belt
 - *Excludes the decommissioned smelter and refinery*
2. How much is Exiro Nickel investing in the operation?
 - Up to USD\$200 million.
 - Provides
 - balance sheet strength
 - flexibility for operational improvements & exploration expenditures
3. Who are Exiro Nickel's investors?
 - Major (~70%)
 - Orion Resource Partners LP
 - Canada Growth Fund Inc.
 - Minor (~30%)
 - Vale Base Metals
 - Exiro Minerals Corp.
4. What approvals are required before the transaction can close?
 - Includes customary regulatory and government authorizations, such as:
 - Investment Canada Act review
 - Competition Act review

RELATIONSHIP TO VALE

1. What role will Vale have after the transaction closes?
 - 18.9% equity ownership in Exiro Nickel
 - 100% offtake rights for a minimum of five years.
 - Up to \$200 million in contingent payments linked to future nickel prices.

2. How will environmental liabilities be handled?

VBM has agreed to be responsible for historic liabilities, while the new company will be responsible for ongoing ones.

EXIRO NICKEL STRATEGY

1. Why is Exiro Nickel acquiring the Thompson Mine?
 - Resource base capable of sustaining multi-decade production
 - Significant exploration upside.
2. Will the Thompson Mine remain operational after the sale? How long is the mine expected to operate under Exiro Nickel?

- Yes, we intend to operate the mine
- Want to return to peak production levels
- We see a clear, achievable path forward to sustain production for decades to come

3. How will Indigenous communities be engaged following the acquisition?

- Our approach is simple, although the work itself is not
- We recognize Indigenous peoples and communities as rights holders, with deep and enduring connections to the land
- During the transition period, we hope to develop a foundation of mutual respect for building relationships, and then partnerships
- We will start by listening carefully, seeking understand before we try to be understood
- We know that strong relationships are built over time through transparency, consistency and following through on commitments
- We are not coming in with a pre-set agenda, other than a commitment to honour existing commitments and agreements with the Thompson Operations and Vale Base Metals
- That is how we intend to move forward

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4. What operational changes does Exiro Nickel plan to make?

Exiro Nickel sees substantial value creation through the disciplined execution of its operating plan. We will have a three part focus:

- Optimizing the existing operation through a “fill-the-mill” strategy that leverages underutilized infrastructure and known but unmined resources;
- Reducing unit costs through fiscal discipline, lower overhead, and increased production rates;
- Advancing near-mine exploration targeting areas located within development distance of existing underground infrastructure; and
- Pursuing regional exploration.

Impacts

1. What will happen to current employees and contractors? Will local suppliers and businesses be affected? Will there be layoffs following the acquisition?
 - We plan to reduce our all-in sustaining costs by doubling production. The pathway to productivity is through doing more with the existing team.
 - Our focus will be on unlocking the team’s potential by reducing barriers to innovation and collaboration. We will give the team our undivided attention, in the hopes of catalyzing excitement, enthusiasm and creativity.
 - None of this can happen without trust – and so we will start by listening and learning.
 - We want to take the time to identify all the low hanging fruit that people are already aware of, and then following up and executing.
 - We want to be so successful that we have the opposite problem – needing more and more people to join the team.
2. What environmental commitments is Exiro Nickel making?
 - We will be spending time during the transition period to reflect on this very question, because the world doesn’t just need nickel – it needs clean nickel

3. How will this transaction affect the local Thompson economy?
 - Secured the future of mining in northern Manitoba
 - Operations as an anchor for the regional economy
 - Employment
 - Business development
 - Financial contributions to local/provincial revenues
 - Our goal is to sustain operations for decades to come
 - Enable people to put down roots, and businesses to invest

Geopolitical context

1. How does this acquisition support Canada's critical minerals strategy?
 - World is hungry for reliable sources of supply for downstream manufacturing
 - This acquisition gives a new lease on life to a globally significant nickel camp
2. How will nickel from Thompson be used?
 - Manufacturing of clean energy technologies, e.g. batteries for electric vehicles
 - Aerospace, e.g. jet turbines
 - Defence applications, e.g. armor, munitions
3. Are you concerned about the outsized role Indonesia plays in influencing the price of nickel?
 - We are bullish about the price of nickel in the long term, which is the time frame in which we are operating (decades, not months or years)
 - We believe that we can execute a plan that will make the Thompson Operations competitive and profitable in a range of low nickel price scenarios.